

AGENDA



Thursday, April 2, 2009

**Transportation
RECOMMENDATION FOR COUNCIL ACTION****Item No. 26**

Subject: Authorize the negotiation and execution of a lease agreement with CAR2GO, a subsidiary of DAIMLER, for a period of up to 12 months to operate a Smart Car car-sharing pilot program.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Karla Villalon, 974-7246, Leanne Vaughn, 974-5657.

The City has received an unsolicited proposal from Car2Go, a subsidiary of Daimler, to launch a pilot car-sharing program in Austin using 200 smart-cars. The pilot program would occur over a period of up to 12 months.

Daimler is offering to launch a pilot for its car-share business model in Austin, and to partner directly with the City. Public parking spaces and spaces in City parking lots would be made available for the vehicles under a lease agreement, and the vehicles would be made available for City use. Daimler may also partner with other public and private entities as part of the pilot program.

The Car2Go proposal is complementary to the City's current car share pilot, CarShare. The Car2Go proposal offers the opportunity for the City to test a car-sharing model for reducing financial costs and environmental impacts associated with municipal fleet operations. It may also provide an opportunity to test and promote car-sharing more broadly among the community as a strategy for dealing with traffic congestion, air quality and climate protection goals, and affordability. During the pilot program, City staff will also be reviewing options to create a regulatory structure that would encourage car sharing in Austin, which would be presented to council for approval.

By this action, the City Council directs the City Manager to evaluate the Daimler proposal and authorizes negotiation and execution of a lease agreement related to the pilot program.